

# South Carolina Board of Economic Advisors

## Statement of Estimated State Revenue Impact

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**Date:** April 13, 2007

**Bill Number:** S. B. 521

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**Committee Requesting Impact:** Senate LCI

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### Bill Summary

A bill to amend title 39, Code of Laws of South Carolina, 1976, relating to trade and commerce, by adding Chapter 12 so as to enact the "South Carolina Quality Production of Manufactured Products Inspection Program Act", and to provide for and maintain quality products in the stream of commerce in South Carolina, through registration of origin, inspection, establishment of standards, enforcement, and penalties including citizens' actions.

### REVENUE IMPACT <sup>1/</sup>

This bill is not expected to have an impact on state General Fund or earmarked revenues in FY 2007-08.

### Explanation

This bill adds Chapter 12 to set registration of notice of origin and environmental/production quality standards for manufactured products either made or distributed in this State. It imposes penalties for noncompliance under the South Carolina Production of Manufactured Products Inspection Program Act under new Code Sections 39-12-70(E) and 39-12-80(F) not to exceed \$500, for a first offense, and not to exceed \$1,000 for each subsequent offense. Proceeds from fines for noncompliance and revenue from sale of confiscated products are earmarked to S. C. Department of Commerce (DOC) to carry out inspection and compliance provisions of the Act.

Because of the protracted time frame required to approve regulations, to hire inspection staff, and to prepare product origin registration forms and perform annual compliance reviews, we do not expect revenue to be reported in the initial year of the program. Thus, this bill is not expected to have an impact on state General Fund or earmarked revenues in FY 2007-08.

**Analyst:** Di Biase

/s/ William C. Gillespie

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Chief Economist

<sup>1/</sup> This statement meets revenue impact requirements of Section 2-7-71 for a state impact by BEA, Section 2-7-76 for a local impact or Section 6-1-85(B) for an estimate of the shift in local property tax incidence by Office of Economic Research (OER).